

Company: "SOPHARMA" AD

Board of Directors: Ognian Donev, PhD
Vessela Stoeva
Alexander Tchaoushev
Bissera Lazarova
Ivan Badinski

Executive Director: Ognian Donev, PhD

Procurator: Simeon Donev

Finance Director: Boris Borisov

Chief Accountant: Jordanka Petkova

Head of Legal Department Alexander Yotov

Registered Office: Sofia
16, Iliensko Shousse Str.

Lawyers: Ventsislav Stoev
Stefan Vachev

Servicing Banks: KBS Bank
DSK Bank EAD
Eurobank and FG Bulgaria AD
ING Bank N.V.
UniCredit AD
Citibank N.A.
Municipal Bank AD

Auditors: Baker Tilly Clitou and Partners OOD

"SOPHARMA" AD**INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME****for the period ended on 31 December 2023**

	Notes	2023 BGN'000	2022 BGN'000
Revenue	3	249 151	230 832
Other operating income/(losses), net	4	16 274	6 490
Changes in inventories of production and work in progress		11 967	9 915
Raw materials and consumables used	5	(85 404)	(81 202)
Hired services expense	6	(45 639)	(36 424)
Employee benefits expense	7	(67 239)	(53 667)
Depreciation and amortisation expense	15,16	(20 972)	(19 429)
Other operating expenses	8,9	(8 767)	(12 109)
Profit from operations		49 371	44 406
Net gain/(loss) on sale of investments in subsidiaries and associates	18,19	2 400	(1 124)
Impairment of non-current assets outside the scope of IFRS 9	10	(1 991)	(2 899)
Finance income	11	7 794	4 678
Finance costs	12	(3 634)	(3 713)
Finance income / (costs), net		4 160	965
Profit before income tax		53 940	41 348
Income tax expense		(6 073)	(4 767)
Net profit for the year		47 867	36 581
Other comprehensive income:			
<i>Items that will not be reclassified to profit or loss:</i>			
Subsequent revaluations of property, plant and equipment	15	33	(991)
Net change in fair value of other long-term equity investments	20	1 766	(1 047)
Subsequent valuations of defined benefit pension plan liabilities	32	(855)	548
Income tax related to components of other comprehensive income that will not be reclassified	13	(3)	99
Other comprehensive income for the year, net of tax	14	941	(1 391)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		48 808	35 190
Basic earnings per share	28	0,37	0,30
Net earnings per diluted share		0,34	0,29

The notes on pages 5 to 147 are an integral part of the individual financial statement.

Executive director:

Ognian Donew

Finance Director:

Boris Borisov

Chief Accountant:

Jordanka Petkova

"SOPHARMA" AD

INDIVIDUAL STATEMENT OF FINANCIAL POSITION

as at 31 December 2023

	Notes	31 December 2023 BGN'000	31 December 2021 BGN'000	1 January 2022 BGN'000 <i>recalculated*</i>
ASSETS				
Non-current assets				
Property, plant and equipment	15	209 511	229 900	218 021
Intangible assets	16	5 784	4 247	4 324
Investment property	17	49 886	49 267	47 302
Investments in subsidiaries	18	90 655	83 124	73 487
Investments in associates and joint ventures	19	112 094	69 372	54 485
Other long-term equity investments	20	3 870	4 706	5 706
Long-term receivables from related parties	21	62 664	67 471	49 695
Other long-term receivables	22	3 357	3 526	9 546
		537 821	511 613	462 566
Current assets				
Inventories	23	106 312	82 760	63 628
Receivables from related parties	24	84 714	68 041	82 046
Trade receivables	25	22 759	18 115	26 746
Loans granted to third parties	26 (a)	11 203	8 317	1 804
Other receivables and prepayments	26 (b)	5 733	6 078	7 589
Cash and cash equivalents	27	105 354	4 893	17 188
		336 075	188 204	199 001
TOTAL ASSETS		873 896	699 817	661 567
EQUITY AND LIABILITIES				
EQUITY				
Basic share capital		172 591	134 798	134 798
Treasury shares		(57 452)	(52 203)	(50 284)
Reserves		435 347	461 603	439 194
Other capital components		11 697	12 488	12 512
Retained earnings		13 688	36 269	23 385
	28	575 871	592 955	559 605
LIABILITIES				
Non-current liabilities				
Long-term bank loans	29	34 765	1 860	9 077
Deferred tax liabilities	30	3 176	5 098	6 777
Government grants	31	4 791	5 996	6 724
Liabilities under leasing contracts to related parties	32	14 774	14 739	-
Liabilities under leasing contracts to third parties	33	2 248	594	496
Long-term liabilities to staff	34	5 274	4 340	4 957
		65 028	32 627	28 031
Current liabilities				
Short-term bank loans	35	44 838	11 734	46 663
Short-term part of long-term bank loans	29	1 746	468	623
Trade payables	36	19 741	40 049	12 706
Payables to related parties	37	100 007	2 632	1 609
Tax payables	38	2 621	892	835
Payables to personnel and for social security	39	10 561	9 804	8 397
Other current liabilities	40	53 483	8 656	3 098
		232 997	74 235	73 931
TOTAL LIABILITIES		298 025	106 862	101 962
TOTAL EQUITY AND LIABILITIES		873 896	699 817	661 567

The notes on pages 5 to 159 are an integral part of the individual financial statement.

Executive director:

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Finance Director:

Boris Borisov

Chief Accountant:

Jordanka Petkova

"SOPHARMA" AD**INDIVIDUAL STATEMENT OF CASH FLOWS****for the period ended on 31 December 2023**

	Notes	2023 BGN'000	2022 BGN'000 <i>recalculated*</i>
Cash flows from operating activities			
Cash receipts from customers		244 819	295 051
Cash paid to suppliers		(162 723)	(146 838)
Cash paid to employees and for social security		(64 263)	(51 232)
Taxes paid (except income taxes)		(10 433)	(6 999)
Taxes refunded (except income taxes)		2 361	4 632
Profit taxes paid		(8 205)	(4 921)
Paid interest and bank charges on working capital loans		(2 222)	(898)
Exchange rate differences, net		(460)	(222)
Other proceeds/(payments), net		(1 480)	(420)
Net cash flows from operating activities		(2 606)	88 153
Cash flows from investing activities			
Purchases of property, plant and equipment		(13 406)	(12 766)
Proceeds from sales of property, plant and equipment		14 658	540
Purchases of intangible assets		(2 089)	(762)
Purchases of equity investments		(290)	(408)
Purchases of shares in associates		(27 933)	(16 481)
Proceeds from the sale of shares in associates		2 845	-
Purchases of other long-term capital investments		(13 440)	(675)
Proceeds from the sale of other long-term capital investments		578	628
Purchases of shares in subsidiaries		(7 606)	(10 860)
Proceeds from sales of shares in subsidiaries		218	515
Dividend income from investments in subsidiaries		197	272
Dividend income from investments in associates		1 488	1 215
Dividend income from other long-term capital investments		26	33
Loans granted to related parties		(25 704)	(58 500)
Reimbursed loans granted to related parties		39 039	45 684
Loans granted to other parties		(2 740)	-
Interest received on loans granted		2 393	975
Interest received on deposits		946	-
Granted refundable additional equity contributions to subsidiaries		(9 134)	-
Proceeds from suretyship fees		424	243
Net cash flows used in investing activities		(39 530)	(50 347)
Cash flows from financing activities			
Proceeds from issue of capital		156 084	-
Proceeds from long-term bank loans		36 565	-
Repayment of long-term bank loans		(2 337)	(10 303)
Receipts / (Repayment) of short-term bank loans (overdraft), net		33 063	(35 728)
Interest and fees paid on loans for investment purposes		(89)	(60)
Treasury shares		(5 252)	(1 919)
Dividends paid and unexercised warrants		(71 889)	(11)
Lease payments to related parties		(1 929)	(1 327)
Payments under leasing contracts to third parties		(864)	(866)
Received government funding for agricultural land		36	34
Proceeds / (payments), net, related to other capital components (warrants)		(791)	79
Net cash flows (used in) / from financial activities		142 597	(50 101)
Net increase/(decrease) in cash and cash equivalents		100 461	(12 295)

Cash and cash equivalents at 1 January		4 893	17 188
Cash and cash equivalents at 31 December	27	<u><u>105 354</u></u>	<u><u>4 893</u></u>

The notes on pages 5 to 159 are an integral part of the individual financial statement.

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"SOPHARMA" AD

INDIVIDUAL STATEMENT OF CHANGES IN EQUITY

for the period ended on 31 December 2023

	Notes	Share capital	Treasury shares	Statutory reserves	Revaluation reserve - property, plant and equipment	Reserve from financial assets at fair value through other	Additional reserves	Other capital components (reserve for issued)	Retained earnings	Total equity
		BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Balance at 1 January 2022		134 798	(50 284)	66 201	28 614	1 644	342 581	12 512	28 137	564 203
Effects of Subsidiary Merger	42	-	-	-	154	-	-	-	(4 752)	*(4 598)
Balance at 1 January 2022		134 798	(50 284)	66 201	28 768	1 644	342 581	12 512	23 385	559 605
Changes in equity for 2022										
Effects of sold and repurchased treasury shares, incl:		-	(1 919)	-	-	-	-	-	-	(1 919)
Effects of sold rights under issued warrants		-	-	-	-	-	-	-	103	103
Other capital components, incl.		-	-	-	-	-	-	(24)	-	(24)
- transaction costs		-	-	-	-	-	-	(24)	-	(24)
Distribution of profit for:		-	-	2 427	-	-	22 574	-	(25 001)	-
- reserves		-	-	2 427	-	-	22 574	-	(25 001)	-
Total comprehensive income for the year, incl:		-	-	-	(892)	(1 047)	-	-	39 951	38 012
- net profit for the year		-	-	-	-	-	-	-	39 429	39 429
- other comprehensive income, net of taxes		-	-	-	(892)	(1 047)	-	-	522	(1 417)
Effects of Subsidiary Merger	28,42	-	-	-	-	-	-	-	(2 822)	(2 822)
Total comprehensive income for the year (recalculated) incl.		-	-	-	(892)	(1 047)	-	-	37 129	35 190
- net profit for the year		-	-	-	-	-	-	-	36 581	36 581
- other components of comprehensive income, net of tax		-	-	-	(892)	(1 047)	-	-	548	(1 391)
Transfer to retained profit		-	-	-	(616)	(37)	-	-	653	-
Balance at 31 December 2022 (originally reported)	28	134 798	(52 203)	68 628	27 106	560	365 155	12 488	43 843	600 375
Effects of Subsidiary Merger	42	-	-	-	154	-	-	-	(7 574)	*(7 420)
Balance as of December 31, 2022 (recalculated)	28,42	134 798	(52 203)	68 628	27 260	560	365 155	12 488	36 269	592 955
Changes in equity for 2023										
Issue of capital		37 793	-	118 291	-	-	-	-	-	156 084
Effects of Subsidiary Merger	28	-	3	-	(131)	-	-	-	128	-
Effects of sold and repurchased treasury shares, incl:		-	(5 252)	-	-	-	-	-	-	(5 252)
- acquisition of repurchased shares		-	(5 252)	-	-	-	-	-	-	(5 252)
Other capital components, incl.		-	-	-	-	-	-	(791)	-	(791)
- transaction costs		-	-	-	-	-	-	(791)	-	(791)
Distribution of reserves for:		-	-	-	-	-	(138 625)	-	-	(138 625)
- dividend from profit for 2022		-	-	-	-	-	(32 604)	-	-	(32 604)
- six months advance dividend		-	-	-	-	-	(106 021)	-	-	(106 021)
Distribution of profits for:		-	-	-	-	-	-	-	(77 308)	(77 308)
- dividend from profit for 2022		-	-	-	-	-	-	-	(40 187)	(40 187)
- six months advance dividend from profit for 2023		-	-	-	-	-	-	-	(37 121)	(37 121)
Total comprehensive income for the year, incl:		-	-	-	30	1 766	-	-	47 012	48 808
- net profit for the year		-	-	-	-	-	-	-	47 867	47 867
- other comprehensive income, net of taxes		-	-	-	30	1 766	-	-	(855)	941
Transfer to retained earnings		-	-	-	(5 767)	(1 820)	-	-	7 587	-
Balans at 31 December 2023	28	172 591	(57 452)	186 919	21 392	506	226 530	11 697	13 688	575 871

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* Consolidated indicators (Note 42)